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JAPAN'S FOREIGN AID POLICY: 1985 UPDATE

Summary

In 1984 Japan surpassed France to become the second-largest donor of official development assistance (ODA). This achievement occurs at a time of transition in Japan's foreign aid planning. The FY 1981-85 aid doubling plan is projected to narrowly miss its target, but Tokyo has already announced a new seven-year plan to double overseas aid that aims not only at expanding the quantity of Japan's assistance to the developing world but also at improving the quality of that aid.

Although the commitment to expand and support economic development in the developing nations remains strong, discussions about the direction and content of ODA have begun to spread from aid professionals and specialists to a broader group of commentators concerned with Japan's image in the international community. Future programs will be shaped by a variety of factors, among them, Japan's perception of its global leadership role, relations with the United States and domestic budgetary constraints.

Japan's Evolving Aid Policy

Japan's foreign aid policy has evolved over the past 30 years from a position that linked aid to domestic development goals like export promotion and overseas investment to one that takes both humanitarian and political/security considerations into account. Several phases of this evolution may be identified: war reparations from the mid-1950s to 1965; tied aid to promote

exports, particularly to Southeast Asia, from the mid-1950s through the early 1970s; and an ambitious effort to untie assistance and expand ODA disbursements beginning in the late 1970s that coincided with an emphasis on meeting basic human needs and larger strategic concerns, including economic interdependence and regional stability.

In a study on the subject, aid experts William L. Brooks and Robert M. Orr write that Tokyo's aid program grew directly out of its role as a former colonial power, which partially explains why a consistently high percentage of funding has always gone to the nations of Southeast Asia. Reparations negotiations after World War II provided \$500 million to the Philippines and \$400 million to Indonesia over a 20-year period, \$20 million to Burma for 10 years, special compensation to Thailand, and various tied-aid packages to the nations of Indochina. These outlays totaled a relatively modest \$1 billion over 20 years, or less than 2 percent of Japan's national budget during that time.

In the years of economic reconstruction after the war, Japan viewed itself as a developing country and was quite open about its intent to cultivate export markets as well as secure access to raw materials. Throughout the 1960s, when the Japanese economy was growing by 10 percent-plus a year, export credits and private-sector aid continued to make up an estimated 65 percent of total aid flows. In part as a result of international criticism of this heavily tied assistance -- and in view of Japan's rapidly emerging global economic leadership -- Tokyo sought to improve the quality and regional distribution of its aid. During the late 1970s it led other major donors in the untangling of assistance. The oil crisis at the beginning of that decade underlined Japan's dependence on external economic developments and prompted Tokyo to reassess its Asian focus. Resources began to flow to countries outside the traditional aid sphere, particularly to the nations of the unstable Middle East.

The most recent development in the evolution of Japan's aid policy began in 1977 with the first ODA-doubling plan. Calls for Japan to fulfill its responsibilities as a world economic power, particularly from the United States, were a major factor in the decision to expand foreign aid so dramatically. Since Tokyo, for constitutional reasons, has concentrated its military spending on self-defense efforts, expanded development assistance is a politically palatable way to take on international duties.

Domestic sentiment also played a constructive role. Unlike the United States, Tokyo's foreign aid programs have widespread and consistent popular support. Along with the "peace diplomacy" aim, national pride became a factor. That Japan's startling economic success serves as a role model for developing nations is a source of satisfaction closely linked to development assistance in the minds of many Japanese. All of these sentiments were codified in the so-called "Fukuda Doctrine" outlined in 1977 by then Prime Minister Takeo Fukuda.

During this period policymakers also began to adopt the concept of comprehensive security. The idea formally emerged in 1980 in a report commissioned by former Prime Minister Masayoshi Ohira, which recommended a

comprehensive approach to national security based on long-term strategies for defense, energy and food supplies. Events such as Vietnam's invasion of Cambodia in 1979, oil shortages related to the Iranian revolution and the Iran-Iraq war, and Moscow's occupation of Afghanistan added a sense of urgency to the rather vague principles of comprehensive security.

Aid policy since then has blended regional and comprehensive security considerations with the desire to complement U.S. aid policy. Assistance is provided to those countries with high levels of economic interdependence with Japan, such as China and the nations of Southeast Asia; to nations involved in regional conflicts, including Thailand and the Sudan; to countries of strategic importance to the Western alliance and of particular concern to the United States, like Egypt, Turkey and Pakistan; and finally, to areas of great humanitarian concern, notably Bangladesh and the poorer countries of Africa.

Tokyo easily exceeded its first aid-doubling goal between 1977 and 1980, bringing assistance levels to more than \$3 billion annually. Grant and technical assistance elements of aid flows increased significantly, although they still fell short of the average achieved by members of the Organization for Economic Cooperation and Development's Development Assistance Committee. ODA as a percentage of Japan's gross national product reached 0.32 percent in 1980, but was still below the DAC average of 0.37 percent.

Regional disbursements also shifted during this period. In 1973, for example, 88 percent of ODA funds went to Asia, while only 2.6 percent was spent in Africa and 1 percent in the Middle East. By the end of the 1970s the rearrangement of funds was institutionalized in the so-called 7-1-1-1 formula: 70 percent of development aid to Asia, with the rest divided fairly equally among the countries of Africa, Latin America and the Middle East.

Continuing the drive to respond to world expectations, the second ODA doubling plan for fiscal years 1981-85 was initiated. Its implementation coincided with a slowdown in domestic economic growth -- a period of extreme fiscal austerity along with sporadic weakness in the yen's value beginning in 1982. Under these conditions, the ambitious goal to provide \$21.4 billion in aggregate assistance fell behind schedule almost immediately, as spending levels dropped well below the \$4.3 billion average required annually to meet the plan's target.

Transition

The reasons behind the shortfall are various. First, although ODA was exempt from the budgetary ceiling imposed on other spending items and its increase was larger than any other category's, requests submitted by the Foreign Ministry were pared down each year by the austerity-minded Finance Ministry. Second, a drop in the funding level for multilateral institutions linked to a 1982 decision by Washington to reduce or delay its contributions created a lag in Tokyo's capital flows that even a 103.6 percent increase in 1983 and a 41.6 percent increase in 1984 could not cover. And last, the depreciation of the yen eroded Tokyo's efforts. Calculated in yen, Japan's projected ODA spending will only narrowly miss the doubling target, but in dollars -- the standard reference currency for aid -- total outlays will amount to roughly 88 percent of the doubling goal.

Aid spending in 1984 increased 14.8 percent to a record \$4.3 billion, but reaching the five-year target figure by the end of fiscal 1985 (March 31, 1986) would require an estimated \$7.1 billion in assistance this fiscal year, a 64 percent increase over 1984 expenditures. After fierce bureaucratic infighting, the FY 1985 budget provided for an ODA increase of only 11.4 percent, and Foreign Ministry officials were forced to acknowledge officially that the second plan would not reach its declared target.

Still, the figures for 1984 are impressive, gathering kudos from both the OECD and Washington. Japan's contributions are second in dollar terms only to the United States', and account for 15 percent of total aid flows from DAC countries. The ratio of ODA to GNP increased to 0.35 percent, ranking Japan eleventh among the 17 DAC member-nations. Achievement of the DAC average ratio of 0.36 percent is now within reach, even though the United Nations' recommended 0.7 percent level remains a challenge to be met.

Japan's bilateral assistance increased slightly to a little over \$2.4 billion in 1984, with an increase of almost 14 percent in technical assistance categories. Multilateral aid reached a record \$1.9 billion, due mainly to large contributions to the World Bank's International Development Association. The ratio of multilateral ODA to total ODA increased from 35.5 percent in 1983 to 43.8 percent in 1984. Less-concessional financial flows, including direct investment financing and export credits, continued to plunge, reflecting Tokyo's commitment to provide more generous forms of assistance to developing nations.

Tokyo has maintained its emphasis on providing grant aid and debt-relief assistance chiefly via multilateral organizations. Grants as a percentage of total ODA continued to rise between 1983 and 1984; however, the grant element of Japan's ODA, that is, the terms of its loans, dropped from 79.5 percent to 74.2 percent, still short of the OECD goal of 86 percent.

Regional and sectoral distribution of aid has generally continued to follow the pattern of recent years. Asia continues to receive the major portion of funding, with about one-third of total ODA going to the economically buoyant members of the Association of Southeast Asian Nations. China remains the largest single recipient of assistance, receiving \$389.4 million in 1984, with geopolitically important countries such as Egypt and Pakistan also among the top ten beneficiaries.

Public utilities are still a main focus of assistance efforts, accounting for 41 percent of total ODA. Agriculture and fisheries are next with 13 percent, and mining, industry and construction rank third at almost 10 percent. It is important to note, however, that significant increases in spending on social infrastructure and welfare begun in 1982 have continued, reflecting Tokyo's belief that the long-term solution to the international debt problem lies in basic improvements in economic and social welfare that will stimulate the productivity and economic strength of the developing nations.

The Seven-Year Doubling Plan

While the outcome of the FY 1986 budget is not final, the Foreign Ministry, as chief ODA spokesman, seems to have once again preserved an increase for aid, although the request for a 10.4 percent rise in spending lags

behind FY 1985's 11.4 percent boost. The net increase in aid outlays, therefore, will fall from Y60 billion (\$273 million at Y220=\$1.00) this fiscal year to Y58 billion (\$264 million) in 1986. Even so, if the double-digit increase survives, ODA will have the highest percentage increase of any item in the budget again this year.

Given the Finance Ministry's crimp on ODA expansion and the second doubling plan's narrow miss, a new aid initiative was essential. The new plan was announced in July by Foreign Minister Shintaro Abe, long a staunch political supporter of ODA, during the first round of the FY 1986 budget process, and was reportedly a major debating point in the early budget negotiations.

On September 18 the Japanese cabinet approved the third medium-term plan, calling for a doubling of ODA by the end of fiscal 1992. The seven-year program envisions aggregate spending at more than \$40 billion, largely through increases in grant aid and technical cooperation, expanded commitments to international financial institutions, and improvements in the disbursal rate of yen loans. If the program proceeds as planned, ODA will rise to an estimated 0.42 percent of GNP in 1992.

Recognizing that number targets alone are insufficient to represent Japan's determination to fulfill its development responsibilities, qualitative improvement of ODA is the second major objective of the new plan. Effective and efficient implementation through strong project management, better coordination of technical and financial cooperation efforts, improved and expanded evaluation of programs, stronger private sector coordination, and increased cooperation with other donor nations and international organizations are some of the broadly defined means of reaching that goal. To assist the government, a private panel of advisers has been charged to make specific recommendations about improvements in Japan's aid program.

The third medium-term doubling plan and the show of considerable political will in the face of harsh bargaining during the annual budget process indicate that Tokyo's commitment to development assistance remains strong. This was clear when the major theme chosen for Foreign Minister Abe's October speech to the U.N. centered on Japan's aid programs and philosophy. But although aid is considered a foreign policy necessity, Tokyo's outlook continues to evolve as questions surrounding objectives and implementation are answered.

Problems and Prospects

With the tremendous surge in aid commitments since 1977, some observers have pointed out that the new development objectives are less ambitious than previous programs and represent a cooler, less committed approach. The seven-year stretch for the new doubling goal is cited by critics as an example. Nervousness about this perception prompted members of the ruling Liberal Democratic Party to initiate a review of the newly submitted plan in October of this year to determine if the target could be reached at an earlier date.

The seven-year doubling plan does not indicate a change in Tokyo's commitment to development assistance but rather reflects an aid policy

reassessment process formally initiated by the government several years ago. Discussions over the management of the foreign policy centerpiece that aid has become have broadened to include not only government officials, but active participation by politicians, business leaders and the media. The open forum features candid assessments of existing problems as well as proposals for reform, many of which are addressed in the new plan.

A focal point of controversy within the aid community is the response to criticism that interest rates and repayment schedules on Japan's development loans are still too tough. But the wisdom of easing loan terms too much is questioned by many officials whose views are grounded in the idea that "economic cooperation" -- the term for assistance the government prefers -- should be a joint effort between donor and recipient nations. If there is no built-in obligation for recipient countries to make their development projects efficient or even commercially viable, the reasoning goes, development efforts will never enable poor nations to stand on their own economically.

This philosophical stance has slowed down moves by Prime Minister Yasuhiro Nakasone and other political and economic leaders to improve the quality of aid, that is, to expand the grant element of ODA and ease loan repayment terms. Meeting international standards of performance is very much the point of Japan's aid policy, after all. Thus the importance of doing well in the comparative standings compiled by the OECD, particularly in the "grant element" index, is a major concern.

American aid experts point out that Japan faces a severe image problem within the donor community -- stemming mostly from the perception that Tokyo's development assistance reflects a preoccupation with domestic economic gains. Recent incidents such as the aid/export credit package that won the lucrative Bosphorus Bridge contract for Japanese firms underline this perception. Leaving aside the tied-aid question, critics charge specifically that the manner in which new ODA projects are determined give Japanese business interests too much access.

This is basically a problem of a procedure that is too closely tied to doctrine. Japan's decisions on development projects are locked into a self-help philosophy that requires developing countries to ask for assistance before projects are initiated. This allows influential Japanese firms to lobby recipient governments about project requests. In fact, the crucial, conceptual stage of development planning is closed to government since development proposals cannot originate from any of the departments or agencies involved in foreign assistance. All feasibility studies and consultations occur after the initial request. Changing this aspect of ODA policy seems to be high on the Nakasone administration's list of reforms.

Once projects are identified they must make their way through a slow and inflexible approval and implementation process that is also the source of considerable criticism both in Japan and within the donor community. Aid programs have the benefit of little legislative interference, but the bureaucratic tangle is impediment enough. Official yen loans must be approved by four (usually feuding) institutions that often have conflicting viewpoints -- the Finance Ministry, the Foreign Ministry, the Ministry of International Trade and Industry, and the Economic Planning Agency.

The coordination of grants, loans and technical cooperation is extremely difficult since the two principal implementing organizations -- the Overseas Economic Cooperation Fund, which oversees loans, and the Japan International Cooperation Agency, with responsibility for grants and technical assistance -- divide aid duties and even have different supervisors, the Economic Planning Agency and the Foreign Ministry, respectively. The overlap in roles and missions spreads to other agencies as well. For example, the independent Export-Import Bank of Japan shares with the OECF the job of providing loans to corporations involved in development projects.

The expansion of the ODA program has further hobbled the bureaucracy. Almost one-third of the OECF budget each year remains unused, and the backlog of general ODA disbursements is growing. The reasons behind this include the difficulty of identifying projects and getting them through the approval pipeline, overburdened personnel, a trend toward funding smaller projects and those with multi-year disbursements, and conservative loan policies.

ODA projects have also come under strong attack because of poor follow-up procedures, i.e. the lack of funds for technical experts, operating activities, infrastructure and maintenance. A case in point involves a bridge in Zaire that was inaccessible because no road was constructed to get to it. This may primarily be a result of inexperience in development planning. The Foreign Ministry is currently re-evaluating project development with an eye to increasing the overall effectiveness of its programs. Of particular concern is the expansion of technical personnel exchanges in line with Japan's intensified objective to increase technical cooperation with developing countries.

The concept of human resource development is in close keeping with the "heart-to-heart" relations between Japan and developing nations promoted under the Fukuda Doctrine. But its implementation has remained difficult for a number of reasons, including a shortage of qualified personnel, language barriers and the difficulty of re-entering Japanese society after a substantial absence.

Some progress has been made, however. Currently, the Japan Overseas Cooperation Volunteers, an organization similar to the U.S. Peace Corps, has twice as many volunteers as it had in 1982; a record 800 individuals were working for the organization overseas in 1985. Stepped-up technical training exchanges were announced by Foreign Minister Abe earlier this year. Moreover, the crisis in Africa has sparked new interest in what individual efforts can do internationally. Striking examples of this include a campaign led by Mr. Abe to collect blankets for Africans and a rash of privately sponsored fund drives. Donations by voluntary agencies to underdeveloped nations rose 37 percent over 1983 levels last year.

The Role of U.S.-Japan Relations

During a time of heightened tensions over the bilateral trade imbalance and defense spending, the United States and Japan have welcomed the refreshingly non-contentious collaboration on aid programs. Aside from improving political ties in the developing world, Washington views joint efforts with Tokyo as a means of extending its scarce financial resources to increase the net benefit of its development assistance. For Tokyo, joint cooperation brings

the opportunity to express its commitment to become a responsible ally involved in the international community. Aid professionals also see it as a means for Japan to acquire U.S. aid expertise. Consultations and joint project planning between the two countries have increased considerably over the past several years.

The relationship is not without its sensitivities, however. Japan and the United States have development assistance objectives that, as analyst Susan Pharr of the Center for Strategic and International Studies has pointed out, both converge and diverge. One increasingly pressing issue for Tokyo's aid professionals has been the use of aid for political/strategic objectives, a primary component of U.S. assistance. In limited instances, aid has been used by Japan as an overtly political tool; freezing aid to Vietnam as a lever to open discussions with Hanoi and concerned parties over Cambodia, for example. Yet Tokyo remains uncomfortable with the concept; "strategic" aid is not even a part of the aid community's lexicon. This is largely a legacy of the foreign policy practices of three decades. While strongly tied to the United States, Tokyo had worked out a delicate vocabulary of diplomacy that enabled it to sidestep some of the questions raised by tense East-West relations.

When Prime Minister Nakasone took office in 1981, his overtly expressed desire to cooperate with U.S. foreign policy objectives and be a "member of the West" rearranged that carefully balanced stance. Along with the general regional realignment of funds, this translated into increased assistance for countries that lean toward the democratic system of government or that the United States has singled out to receive "persuasive" aid. An example of this rationale put into practice is assistance to China in order to buttress the relatively moderate Deng regime and maintain a funding alternative to the U.S.S.R. The 1983 policy turnaround on aid to South Korea can be considered strategically motivated as well. (See JEI Report No. 41A, October 25, 1985.)

The particular uses of aid have not been singled out for criticism, but Japan's new position has not gone unremarked. Opposition party forces and even some members of the ruling party question how funds such as those earmarked for Jamaica in support of the Reagan administration's Caribbean Basin Initiative relate to Japan's economic cooperation philosophy. Japanese officials, however, have reportedly assured their American counterparts that the trend toward politically astute assistance will continue.

Concurrently, another political use of aid is under consideration. To counteract the friction generated by trade disputes, some Japanese officials have suggested purchasing foreign products for re-distribution as aid to developing nations, a sort of Japanese "Marshall Plan." This tactic has been tried before: to help settle a 1978 disagreement with New Zealand over fishing rights and agricultural trade, Tokyo bought surplus powdered skim milk for donation to poor countries.

Now high-level interest has been expressed about a plan to purchase surplus American grain for distribution as grant-aid. When first proposed this spring by Agriculture Under Secretary Daniel Amstutz as a way to help the depressed U.S. farm economy and expand the scope of Japan's food aid program, Japanese officials balked. However, in late September Prime Minister Nakasone told party officials to study the option and during his October visit to

Washington, LDP president Susumu Nikaido notified U.S. officials that the issue was under consideration. Reportedly being discussed are purchases of 10 million metric tons of grain over a period of four to five years, financed by a joint public-private fund.

Conclusion

Japan's development aid policy reflects a country that is wrestling with national priorities and world responsibilities. Support for worldwide development objectives, economic profit, secure markets, access to raw materials, influence in world forums and solidarity with allies are some of the issues invoked by aid. Because all these subjects touch on the image Japan is constructing for domestic and international consumption, they are bound to be caught up in public emotions. It is not surprising that development is a highly politicized subject and that it is linked to foreign policy, global trade and long-term economic planning. What perhaps is surprising is that there is domestic awareness and criticism of current aid policies and programs.

Japan's ODA policies are evolving in an atmosphere of self-examination that is intensified by pressures from the United States and the international community. In view of the complexities of the aid issue, it may be too much to ask of any country's officials to pioneer a new, more responsible approach to the problems of underdevelopment. But certainly, in recent years, Tokyo has proven that it is more than willing to join other nations and give it a try.

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The views expressed in this report are those of the author and do not necessarily represent those of the Japan Economic Institute.

Table 1: Total Net Flow of Financial Resources from Japan to
Developing Countries and Multilateral Agencies, 1983-84

(in millions of dollars)

Type of Transaction	1983	1984	Percent Change 1983/84
I. Official Development Assistance (ODA)	\$3,761	\$4,319	14.8%
Change Over Previous Year	24.4%	14.8%	
ODA/GNP Ratio	0.32%	0.35%	
A. Bilateral Assistance	2,425	2,427	0.1
1. Grants	993	1,064	7.1
Grant Assistance	535	543	1.5
Technical Assistance	458	521	13.6
2. Development Lending and Capital	1,432	1,363	-4.8
B. Grants, Capital Subscription and Loans to Multilateral Agencies	1,336	1,891	41.6
II. Other Official Flows (OOF)	1,954	743	-62.0
A. Export Credits (over 1 year)	472	493	4.4
B. Direct Investment Finance and Others	1,442	380	-73.6
C. Transactions with Multilateral Agencies at Market Terms	41	-130	
III. Private Flows	4,779	10,946	129.1
A. Direct Investments	435	1,489	244.1
B. Export Credits (over 1 year)	-2,069	-655	
C. Other Bilateral Securities and Claims	4,840	7,753	60.2
D. Multilateral Private Flows	1,574	2,360	49.9
IV. Grants by Voluntary Agencies	30	41	37.1
Total Official and Private Flows (I + II + III + IV)	10,523	16,049	52.5
As Percentage of GNP	0.92	1.30	
<u>For Reference</u>			
Export Credits (total)	-1,597	-162	
Direct Investments and Others (total)	1,874	1,869	0.3

Notes: 1. Net disbursement basis.

2. Due to rounding, the figures do not necessarily add up to the totals.

Source: Ministry of Foreign Affairs, August 30, 1985.

Table 2: Major Recipients of Japan's ODA, 1980-84

(in millions of dollars)

1980		1981		1982		1983		1984	
Country	Amount	Country	Amount	Country	Amount	Country	Amount	Country	Amount
Indonesia	\$350	Indonesia	\$300	China	\$369	China	\$350	China	\$389
Bangladesh	215	South Korea	296	Indonesia	295	Thailand	248	Malaysia	245
Thailand	190	Thailand	214	Bangladesh	216	Indonesia	236	Thailand	232
Burma	152	Philippines	210	Thailand	170	Philippines	147	Indonesia	168
Egypt	123	Bangladesh	145	Philippines	157	India	130	Philippines	160
Pakistan	112	Burma	125	Burma	104	Burma	114	Bangladesh	123
Philippines	94	Pakistan	118	Pakistan	95	Bangladesh	104	Burma	95
South Korea	76	Egypt	71	Malaysia	75	Malaysia	92	Egypt	81
Malaysia	66	Malaysia	65	Sri Lanka	62	Sri Lanka	73	Pakistan	67
Sri Lanka	43	Turkey	51	Egypt	62	Pakistan	73	Sri Lanka	64

Note: Net disbursement basis.

Source: Ministry of Foreign Affairs

Table 3: Japan's Official Development Assistance by Region, 1983-84

(in millions of dollars)

Year	Total	Asia	Middle East		Africa	Latin America		Europe	Oceania	Unallocable
1983	\$2,425 (100.0%)	\$1,614 (66.5%)	\$150 (6.2%)	\$287 (11.8%)	\$241 (9.9%)	\$18 (0.7%)	\$93 (3.8%)			
1984	\$2,427 (100.0%)	\$1,594 (65.7%)	\$184 (7.6%)	\$240 (9.9%)	\$229 (9.4%)	\$25 (1.0%)	\$117 (4.8%)			

Note: Net disbursement basis.

Source: Ministry of Foreign Affairs

Table 4: Sectoral Distribution of Bilateral ODA Commitments, 1983-84

(in millions of dollars)

	1983	1984	Percent Change 1983/84	Distribution	
				1983	1984
Public Utilities (incl. transportation and communications)	\$1,653	\$1,605	-2.9%	47.5%	40.5%
Mining, Industry and Construction	415	389	-6.3	11.9	9.8
Agriculture and Fisheries	360	498	38.5	10.3	12.5
Education	216	188	-13.0	6.2	4.7
Food and Disaster Relief	140	121	-13.8	4.3	3.0
Social Infrastructure and Welfare	130	170	30.8	3.7	4.3
Health	120	150	25.0	3.7	3.5
Unspecified	452	858	48.6	12.4	21.6
Total	3,488	3,965	13.8	100.0	100.0

Note: Commitment basis.

Source: Ministry of Foreign Affairs.

Table 5: Official Development Assistance of Major Donor Countries, 1984

(in millions of dollars)

Rank	Country	Amount	Percent of Total DAC ODA 1983	Percent of Total DAC ODA 1984
1	United States	\$8,008	28.9%	30.4%
2	Japan	4,319	13.7	15.1
3	France*	3,790	14.2	13.3
4	Germany	2,782	11.6	9.7
5	Canada	1,625	5.2	5.7
6	United Kingdom	1,432	5.8	5.0
	Other Donors	6,001	20.6	20.9
	DAC Total	28,647	100.0	100.0

*Includes overseas territories and prefectures.

Source: Organization for Economic Cooperation and Development.

Table 6: Official Development Assistance of DAC Countries, 1983-84

(in millions of dollars)

Rank*	Country	1983		1984		Percent Change 1983/84
		Amount	Percent of GNP	Amount	Percent of GNP	
1	Netherlands	\$1,195	0.91%	\$1,268	1.02%	6.1%
2	Norway	584	1.09	526	0.99	-9.9
3	Denmark	395	0.73	449	0.85	13.7
4	Sweden	754	0.84	741	0.80	-1.7
5	France**	3,815	0.74	3,790	0.77	0.7
6	Belgium	487	0.60	434	0.56	-10.9
7	Canada	1,429	0.45	1,625	0.50	13.7
8	Australia	753	0.49	773	0.45	2.6
9	Germany	3,176	0.48	2,782	0.45	12.4
10	Finland	153	0.32	178	0.36	16.3
11	Japan	3,761	0.32	4,319	0.35	14.8
12	United Kingdom	1,610	0.35	1,432	0.33	-11.1
13	Italy	833	0.24	1,105	0.32	30.1
14	Switzerland	320	0.31	286	0.30	-10.6
15	Austria	158	0.23	181	0.28	15.0
16	New Zealand	81	0.28	59	0.27	-3.3
17	United States	8,055	0.24	8,698	0.24	8.0
DAC Total		\$27,540	0.36	\$28,647	0.36	4.0

*Countries are ranked by ODA as percentage of donor GNP in 1984.

**Including overseas territories and prefectures.

Source: Organization for Economic Cooperation and Development.